

Charity registration number 1159388

Company registration number 09075504 (England and Wales)

ADOT FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

ADOT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs I Kirschel Mr L Kirschel
Charity number	1159388
Company number	09075504
Registered office	3rd Floor 114a Cromwell Road London SW7 4AG
Independent examiner	Ahsan Miraj FCA Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG

ADOT FOUNDATION

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ADOT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

The trustees present their annual report and financial statements for the year ended 31 July 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charitable objects of the company, as approved by the Charity Commission, is the advancement of education for the public benefit by the provision of grants to other charities and/ or organisations which provide public education and by the provision of educational resources that develop an individual's personal, emotional, moral and spiritual capability.

The objectives and activities fully reflect the purposes that the company was set up to further. The Trustees have referred to the guidance contained in the Charity Commission's advice on public benefit when reviewing the objectives and activities and when planning for future activities.

Covid 19 - Overall risk to operations

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The entity's financial position and performance is likely to be affected by these events for future periods.

The trustees are not aware of any significant impact from the COVID-19 pandemic on the charity's operations. However, the trustees continue to assess its impact on an ongoing basis.

Achievements and performance

The company has during the period sponsored organisations that operate in the social media in order to advance individual's personal, emotional, moral and spiritual capabilities. This has been achieved both through the company and its wholly owned subsidiary undertaking, A Dot Limited, a company registered in England and Wales.

Financial review

The Trustees are satisfied with the results of the period.

It is the policy of the company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Foundation's policy is to hold any surplus funds in interest bearing bank accounts.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

ADOT FOUNDATION

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

Plans for future periods

The Adot Foundation has recently acquired rights to "the scientific path to spirituality" which it will convert into short form volumes to support its purpose of developing individual's personal, emotional, moral and spiritual capability. The foundation, has and will continue to work alongside and collaborate with other charities such as Tivka and Shema B'ni as it continues to support educational programmes to generate awareness of key issues impacting today's society.

Structure, governance and management

The foundation was incorporated by guarantee on 6 June 2014. It has no share capital and is limited by guarantee. The liability of each member in the event of winding up is limited to £1 per member. At 31 July 2021 the company had two members.

The governing document is the Memorandum and Articles of Association dated 6 June 2014 as amended by a special resolution registered at Companies House on 26 November 2014. The power of appointing Trustees is vested in the Board of Trustees.

There are no paid employees of the company and it operates from the premises of one of the Trustees. The Charity has a close relationship with Consolidated Developments Limited, Consolidated Property Corporation Inc and Consolidated Hotels Limited, companies in which Mr L Kirschel is a director and has a beneficial interest. During the period these companies together with Mr L Kirschel personally made donations to Adot Foundation totalling £48,873 (2020: £100,000).

The charity also has a close relationship with The Kirschel Foundation, a charity in which the trustees of this charity are also involved. During the period the Kirschel Foundation made donations of £12,873 to the charity.

Adot Foundation set up a trading subsidiary A Dot Limited. The purpose of A Dot Limited is to sell merchandise through its shop. The shop is still being fitted out and has recently opened. During the year, Adot Foundation has supported A Dot Limited to fund its set up costs. This amounted to £356,570 as at the balance sheet date.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs I Kirschel
Mr L Kirschel

The trustees' report was approved by the Board of Trustees.

Mr L Kirschel
Director

28 April 2022

ADOT FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ADOT FOUNDATION

I report to the trustees on my examination of the accounts of Adot Foundation (the charity) for the year ended 31 July 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('The Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Act.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Ahsan Miraj FCA
Bright Grahame Murray
Chartered Accountants
Emperor's Gate
114a Cromwell Road
London
SW7 4AG

Dated: 28 April 2022

ADOT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	2	72,714	122,500
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	25,188	34,609
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		47,526	87,891
Fund balances at 1 August 2020		309,044	221,153
		<hr/>	<hr/>
Fund balances at 31 July 2021		356,570	309,044
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ADOT FOUNDATION

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	8		15,210		14,397
Investments	9		1		1
			<u>15,211</u>		<u>14,398</u>
Current assets					
Debtors	10	371,574		306,529	
Cash at bank and in hand		435		5,779	
		<u>372,009</u>		<u>312,308</u>	
Creditors: amounts falling due within one year	11	(30,650)		(17,662)	
Net current assets			341,359		294,646
Total assets less current liabilities			<u>356,570</u>		<u>309,044</u>
Income funds					
Unrestricted funds			356,570		309,044
			<u>356,570</u>		<u>309,044</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021.

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 28 April 2022

Mr L Kirschel
Trustee

Company registration number 09075504

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

Adot Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 3rd Floor, 114a Cromwell Road, London, SW7 4AG.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

As set out in the trustees' report during the early part of 2020 the international community was impacted by the COVID-19 pandemic, which caused significant disruption to UK businesses. The trustees have assessed the risk that the charity is not a going concern, with reference to its financial position and performance. The charity forecasts that it is able to continue to meet all of its obligations.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all costs related to that activity.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Book rights	Over 10 years
Website	Over 3 years

1.7 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/ (expenditure) for the year.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	72,714	122,500
	<u>72,714</u>	<u>122,500</u>
Donations and gifts		
Donations received	61,746	100,000
Git Aid	10,968	22,500
	<u>72,714</u>	<u>122,500</u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

3 Charitable activities

	Grants to institutions 2021 £	Grants to institutions 2020 £
Depreciation and impairment	3,286	1,920
Grant funding of activities (see note 4)	11,424	18,558
Share of support costs (see note 5)	10,478	14,131
	<u>25,188</u>	<u>34,609</u>

4 Grants payable

	2021 £	2020 £
Grants to institutions:		
GOSH	-	8,929
Tivka UK	636	1,000
Mothers2Mothers	4,188	5,000
Norwood Ravenswood	500	-
Euston Foodbank	100	-
Amud Hatzdokoh Trust	3,000	-
Kisharon	1,500	-
The Chicken Soup Shelter	1,000	-
Landaid Charitable Trust	500	-
Other	-	3,629
	<u>11,424</u>	<u>18,558</u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

5 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Bank charges	88	-	88	62	Support costs
Insurance	150	-	150	-	Support costs
Subscriptions	264	-	264	336	Support costs
Accountancy	2,004	-	2,004	2,154	Support costs
Sundry expenses	1,702	-	1,702	375	Support costs
Advertising	3,730	-	3,730	10,112	Support costs
Computer expenses	-	-	-	1,092	Support costs
Legal and Professional	2,540	-	2,540	-	
	<u>10,478</u>	<u>-</u>	<u>10,478</u>	<u>14,131</u>	
Analysed between					
Charitable activities	<u>10,478</u>	<u>-</u>	<u>10,478</u>	<u>14,131</u>	

Support costs includes fees to the Independent Examiner of £2,004 (2020: £2,154).

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration (including reimbursed expenses) during the year.

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	<u>-</u>	<u>-</u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

8 Intangible fixed assets

	Book rights £	Website £	Total £
Cost			
At 1 August 2020	19,197	-	19,197
Additions	-	4,099	4,099
	<hr/>	<hr/>	<hr/>
At 31 July 2021	19,197	4,099	23,296
	<hr/>	<hr/>	<hr/>
Amortisation and impairment			
At 1 August 2020	4,800	-	4,800
Amortisation charged for the year	1,920	1,366	3,286
	<hr/>	<hr/>	<hr/>
At 31 July 2021	6,720	1,366	8,086
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 July 2021	12,477	2,733	15,210
	<hr/>	<hr/>	<hr/>
At 31 July 2020	14,397	-	14,397
	<hr/>	<hr/>	<hr/>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

9 Fixed asset investments

		Other investments
Cost or valuation		
At 1 August 2020 & 31 July 2021		1
		<u> </u>
Carrying amount		
At 31 July 2021		1
		<u> </u>
At 31 July 2020		1
		<u> </u>

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	12	1	1
		<u> </u>	<u> </u>

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	338,106	284,029
Other debtors	33,468	22,500
	<u> </u>	<u> </u>
	371,574	306,529
	<u> </u>	<u> </u>

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	28,742	15,808
Accruals and deferred income	1,908	1,854
	<u> </u>	<u> </u>
	30,650	17,662
	<u> </u>	<u> </u>

ADOT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

12 Subsidiaries

Details of the charity's subsidiaries at 31 July 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
A Dot Limited	3rd Floor, 114A Cromwell Road, London, SW7 4AG	Trading subsidiary of registered charity	Ordinary shares	100.00	

13 Company limited by guarantee

The company is limited by guarantee and therefore has no share capital.

14 Related party transactions

At the balance sheet date included in debtors is an amount of £338,106 (2020: £284,029) due from A Dot Limited, the company's subsidiary undertaking.

At the balance sheet date included in creditors is an amount of £Nil (2020: 12,873) due to The Kirschel Foundation, a charity registered in England and Wales in which Mr L Kirschel is also a trustee. In addition, an amount of £23,500 (2020: £2,235) was due to Consolidated Holdings Limited, a company in which Mr L Kirschel is a director and has a beneficial interest.

During the year the charity received donations of £43,873 (2020: £90,000) from Mr L Kirschel, £5,000 (2020: £10,000) from Consolidated Property Corporation Limited, a company in which Mr L Kirschel is a director and has a beneficial interest and £12,873 (2020: £Nil) from The Kirschel Foundation.